

Organic Perspectives

Special Edition: Marketing

Volume 5, Issue 5

October/November/December 2002

Marketing Special – Next Newsletter in January 2003

This edition is dedicated to recent news in the international organic products market. Regular publication of *Organics Perspectives* will resume in January! For further information, contact Claire Klotz, (202) 720-8557, Claire.Klotz@fas.usda.gov.

Germany Leads European Organic Juices Market

Research by *Organic Monitor* found that since 1988 the European organic juices market has been expanding at more than 20 percent a year. In 2002, the sales of organic juices in Europe are expected to reach \$90.1 million.

German and Italian organic juice markets are showing the highest growth rates and Germany remains the largest organic juice market in Europe. Fruit juices are the most popular juices with apple juice and orange juice leading the pack. While European consumer demand for other organic products is slowing, interest in organic juices remains high.

Visit <http://www.organicmonitor.com> for more information.

U.K. Organic Industry Growing Healthy

The amount of organic land in the U.K. has almost doubled in the last year and sales of organic food are the second highest in Europe, according to new figures from the Soil Association, the U.K.'s largest organic campaigning and certification body.

The data is revealed in the Soil Association's *Organic Food and Farming Report 2002* – a comprehensive survey of the organic market, drawing on information from organic businesses, retailers, 15,000 shoppers, and government.

U.K. spending on organic food and drink jumped 15 percent to around 920 million pounds (approximately \$1.5 billion) from April 2001 to April 2002. Imports fell by 5 percent to 65 percent of sales.

To read more excerpts from the report, visit <http://www.soilassociation.org>.

Survey Finds Americans Ready to Try Organic Products

More than half (55 percent) of Americans have tried organic foods, and 87 percent of consumers who regularly choose organic products rate them as higher quality than conventional products, according to a just-released nationwide survey commissioned by **Whole Foods Market**, the world's largest natural and organic foods supermarket.

The survey also revealed that two-thirds of organic shoppers (68 percent) are relying primarily on product labels and food manufacturers as their information sources.

Overall sales and the numbers of Americans who eat organic food are increasing despite the fact that prices are often higher.

To read more about the survey results, visit http://www.wholefoodsmarket.com/company/pr_organicsurvey.pdf.

INSIDE THIS ISSUE

- 1 **Ireland: Evergreen Celebrates Anniversary**
- 2 **France: Organic Fruit Sales Continue to Rise**
- 3 **Where are the Hot Export Markets?**
- 4 **European Market Study**
- 5 **UNFI Goes Organic Coast to Coast**
- 6 **New Organic Industry Magazine**
- 7 **USDA News**
- 8 **Upcoming Events!**

Ireland: Evergreen Celebrates 10-Year Anniversary

With a population of only 4 million people, the food market in Ireland remains very small in comparison to other EU member states. There are 130 organic food stores throughout the country with generally 30 to 80m² of sales area. Sales are dominated by food supplements and remedies.

Ireland's largest organic store is not in the Irish capital of Dublin. Despite Dublin's size (population: 1 million), the university town of Galway (population: 60,000) is home to **Evergreen**, Ireland's largest organic store. At present, the Galway store has 200m² of sales area and is situated in the busiest area of a shopping center.

The month **Evergreen**, an organic food company with 3 organic shops, celebrates its 10-year anniversary.

For more information visit <http://www.evergreen.ie>.

France: Organic Fruit Sales Continue to Rise

Organic Monitor has found that consumer demand for organic fresh product continues to be buoyant. Despite slowing growth rates for other organic products, fruit sales are projected to increase 25.8 percent to 54 million Euros (\$53 million) in 2002. This strong growth should continue in the short term.

While apples and oranges have the largest market share, tropical and exotic fruits have the greatest growth potential.

For a brief description of findings, visit <http://www.organicmonitor.com>.

European Market Study

Authors of "Analysis of the European Market for Organic Food", an extensive study published for the IFOAM Conference in Canada, shows a variety of European data on the production, trade and marketing of organic products in 2000. The 62 tables include EU member states and some accession countries.

For more information visit: <http://www.irs.aber.ac.uk/omiard/publications/index.htm>.

Where are the Hot Export Markets?

The FAS Organic Products Web site at <http://www.fas.usda.gov/agx/organics/organics.html> offers a new feature entitled "Hot Markets".

While FAS does not provide organic market information for all countries, FAS "Exporter Guides" often offer brief information regarding the potential for organic product sales in a particular country. This is especially valuable for companies interested in non-European markets where minimal market information available.

Of the more than 40 countries listed, recently added countries such as Argentina and Taiwan are hot!

UNFI Goes Organic Coast to Coast

In September, **United Natural Foods, Inc.** (UNFI) became the first organic food distribution network in the U.S. to gain certification coast to coast. This certification, by Quality Assurance International (QAI), comprises all of UNFI's distribution centers, including those of Albert's Organics and Hershey Import divisions.

Based in Dayville, Connecticut, UNFI carries and distributes over 30,000 products to more than 7,000 customers nationwide.

For more information visit <http://www.unfi.com>.

New Organic Industry Magazine

Organic Products Retailer will provide news and information about the organic products industry to retailers of organic products and will serve as a disseminator of product information from manufacturers to the key retail distribution channels.

The publication is a member of the Organic Trade Association (OTA) and will begin publication in January 2003.

For more information visit: <http://www.vitaminretailer.com/OPR/index.htm>.



USDA News

Organic & Natural Buyer Alert!

In October, USDA's Foreign Agricultural Service (FAS) released a special "Organic and Natural Product in October" *Buyer Alert* newsletter highlighting the range of high quality American organic and natural products available. To view the special promotion visit: <http://www.fas.usda.gov/agx/organics/Buyer.htm>.

Recent Growth Analyzed in the U.S. Organic Foods Market

A new USDA-Economic Research Service Publication describes recent growth patterns in the U.S. organic sector, by market category, and contains a description of the marketing channels for major organic commodity groups. The report also provides a summary of various research, regulatory, and other ongoing programs in organic agriculture at USDA.

The entire publication is available online at <http://www.ers.usda.gov/publications/aib777>.

A brief article, "Organic Food Industry Taps Growing American Market" which summarizes this research can be found on line at: <http://www.ers.usda.gov/publications/agoutlook/oct2002/ao295b.pdf>.

Veneman Marks Implementation of USDA National Organic Standard

WASHINGTON, Oct. 21, 2002 — Agriculture Secretary Ann M. Veneman today launched the implementation of USDA's national organic standards for agricultural products providing consistent labeling on products coast to coast...

To read the full press release visit: <http://www.usda.gov/news/releases/2002/10/0453.htm>.



Upcoming Events

International

- **March 23-26, 2003** – International Food and Drink Exhibition 2003; The United Kingdom's largest international food and drink exhibition and one of the top five food exhibitions in the world, London, United Kingdom. Organic products are on the best product prospects list for this USDA -endorsed show. <http://www.ife.co.uk>. Contact information: Sharon Cook, USDA/FAS Trade Show Office, (202) 720-3425, Sharon.Cook@fas.usda.gov.
- **May 19-20, 2003** – ORGANEX, Organic Food Show, Paris, France. Contact information: <http://fr.organex.net> or Caroline Joucla-Fabre or Paola Goyon, (33-1) 41 18 8618, paola_goyon@groupepm.com or caroline_joucla-fabre@groupepm.com.
- **October 18-20, 2003** – NATEXPO (formerly the DIETETIC), Organic Health and Dietetic Trade Show, Paris, France. Contact information: Sylvie Dalouche, (33-1) 49 09 6068, sdalouche@comexpo-paris.com.

Domestic

- **March 6-9, 2003**: Natural Products Expo West. Anaheim, CA. <http://www.expowest.com>. Contact: 1-866-458-4935 (toll free, U.S. only) or (303) 390-1776 or tradeshows@newhope.com.
- **May 14-16, 2003**: All Things Organic. Austin, TX. More information is available on the Organic Trade Association (OTA) Web site at <http://www.ota.com>.

ADDITIONAL RESOURCES:

- ❑ FAS, AgExport Services Division's Organic Page <http://www.fas.usda.gov/agx/organics/ororganics.html>
- ❑ National Organic Program Web site - <http://www.ams.usda.gov/nop>

*Written and edited by Claire Klotz, USDA-FAS-AGX,
Tel: (202) 720-8557 Fax: (202) 690-0193*

E-mail: Claire.Klotz@fas.usda.gov



Editor's Note: As publishers of *Organic Perspectives* USDA-FAS-AgExport Services continuously strives to maintain a partnership with the organic food community by sharing information and providing export assistance through our many export program services. For more information on how we might support your company in establishing opportunities abroad, please contact our office at (202) 720-8557.